

House File 594

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1 3 AN ACT
1 4 RELATING TO THE REGISTRATION OF ELECTRICAL AND MECHANICAL
1 5 AMUSEMENT DEVICES AND THE REGISTRATION OF MANUFACTURERS
1 6 AND DISTRIBUTORS THEREOF, ESTABLISHING FEES, MAKING AN
1 7 APPROPRIATION, MAKING PENALTIES APPLICABLE, AND PROVIDING
1 8 AN EFFECTIVE DATE.
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1 10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
1 11
1 12 Section 1. Section 99B.10, Code 2003, is amended by adding
1 13 the following new subsections:
1 14 NEW SUBSECTION. 4. Each electrical and mechanical
1 15 amusement device in operation or distributed in this state
1 16 that awards a prize, as provided in this section, where the
1 17 outcome is not primarily determined by the skill or knowledge
1 18 of the operator, is registered by the department as provided
1 19 by this subsection. For an organization that meets the
1 20 requirements of section 99B.7, subsection 1, paragraph "m", no
1 21 more than four, and for all other persons, no more than two
1 22 electrical and mechanical amusement devices registered as
1 23 provided by this subsection shall be permitted or offered for
1 24 use in any single location or premises. Each person owning an
1 25 electrical and mechanical amusement device in this state shall
1 26 obtain a registration tag for each electrical and mechanical
1 27 amusement device owned that is required to be registered as
1 28 provided in this subsection. Upon receipt of an application
1 29 and a fee of twenty-five dollars for each device required to
1 30 be registered, the department shall issue an annual
1 31 registration tag which tag shall be displayed as required by
1 32 rules adopted by the department. The application shall be
1 33 submitted on forms designated by the department and contain
1 34 the information required by rule of the department. A
1 35 registration may be renewed annually upon submission of a
2 1 registration application and payment of the annual
2 2 registration fee and compliance with this chapter and the
2 3 rules adopted pursuant to this chapter. A person owning or
2 4 leasing an electrical and mechanical amusement device required
2 5 to be registered under this subsection shall only own or lease
2 6 an electrical and mechanical amusement device that is required
2 7 to be registered that has been purchased from a manufacturer,
2 8 manufacturer's representative, or distributor registered with
2 9 the department under section 99B.10A.
2 10 NEW SUBSECTION. 5. Any awards given for use of an
2 11 amusement device shall only be redeemed on the premises where
2 12 the device is located and only for merchandise sold in the
2 13 normal course of business for the premises.
2 14 NEW SUBSECTION. 6. Any other requirements as determined
2 15 by the department by rule. Rules adopted pursuant to this
2 16 subsection shall be formulated in consultation with affected
2 17 state agencies and industry and consumer groups.
2 18 Sec. 2. NEW SECTION. 99B.10A MANUFACTURERS AND
2 19 DISTRIBUTORS OF ELECTRICAL AND MECHANICAL AMUSEMENT DEVICES ==
2 20 REGISTRATION.
2 21 A person engaged in business in this state as a
2 22 manufacturer, manufacturer's representative, or distributor of
2 23 electrical and mechanical amusement devices required to be
2 24 registered as provided in section 99B.10, subsection 4, shall
2 25 register with the department. Each person who registers with
2 26 the department under this section shall pay an annual
2 27 registration fee of two thousand five hundred dollars.
2 28 Registration shall be submitted on forms designated by the
2 29 department that shall contain the information required by the
2 30 department by rule. The department shall adopt rules
2 31 providing for the submission of information to the department
2 32 by a person registered pursuant to this section if information
2 33 in the initial registration is changed, including
2 34 discontinuing the business in this state.
2 35 Sec. 3. NEW SECTION. 99B.10B REVOCATION OF REGISTRATION
3 1 == ELECTRICAL AND MECHANICAL AMUSEMENT DEVICES.
3 2 The department may revoke a registration issued pursuant to
3 3 section 99B.10 or 99B.10A, for a period not to exceed two
3 4 years, for cause, following at least ten days written notice
3 5 and opportunity for an evidentiary hearing, pursuant to rules

3 6 adopted by the department. The rules shall provide that a
3 7 registration may be revoked if the registrant or agent of the
3 8 registrant violates, or permits a violation, of section 99B.10
3 9 or 99B.10A, violates any rule adopted by the department under
3 10 this chapter that the department determines should warrant
3 11 revocation of the registration, or engages in any act or
3 12 omission that would have permitted the department to refuse to
3 13 issue a registration under section 99B.10 or 99B.10A.

3 14 Sec. 4. Section 725.16, Code 2003, is amended to read as
3 15 follows:

3 16 725.16 GAMBLING PENALTY.

3 17 A person who commits an offense declared in chapter 99B to
3 18 be a misdemeanor shall be guilty of a serious misdemeanor
3 19 ~~except if an owner of an electrical or mechanical amusement~~
~~3 20 device commits an offense in violation of section 99B.10, the~~
~~3 21 owner is guilty of a class "D" felony.~~

3 22 Sec. 5. ELECTRICAL AND MECHANICAL AMUSEMENT DEVICES ==
3 23 SPECIAL FUND. Fees collected by the department of inspections
3 24 and appeals pursuant to section 99B.10 for the fiscal years
3 25 beginning July 1, 2003, and July 1, 2004, shall be deposited
3 26 in a special fund created in the state treasury. Moneys in
3 27 the fund are appropriated to the department of inspections and
3 28 appeals and the department of public safety for administration
3 29 and enforcement of sections 99B.10 and 99B.10A, including
3 30 employment of necessary personnel. The distribution of moneys
3 31 in the fund to the department of inspections and appeals and
3 32 the department of public safety shall be pursuant to a written
3 33 policy agreed upon by the departments. Notwithstanding
3 34 section 12C.7, subsection 2, interest or earnings on moneys
3 35 deposited in the fund shall be credited to the fund.

4 1 Sec. 6. DEPARTMENTAL REPORT. The department of
4 2 inspections and appeals, in consultation with the department
4 3 of public safety, shall submit a written report to the general
4 4 assembly by December 31, 2004, with copies to the committees
4 5 on government oversight and state government of the senate and
4 6 house of representatives, that provides details on the
4 7 implementation of this Act, including fees collected annually,
4 8 and expenses by all state government agencies for
4 9 administration, registration issuance, inspection, and other
4 10 costs related to this Act. The department shall also include
4 11 information in the report as to its projections as to whether
4 12 the fees collected under this Act are properly set to cover
4 13 future expenses of applicable state agencies under this Act.

4 14 Sec. 7. EFFECTIVE DATE. This Act, being deemed of
4 15 immediate importance, takes effect upon enactment.

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4 20 CHRISTOPHER C. RANTS
4 21 Speaker of the House

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4 23 _____
4 24 MARY E. KRAMER
4 25 President of the Senate
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4 27 I hereby certify that this bill originated in the House and
4 28 is known as House File 594, Eightieth General Assembly.

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4 31 _____
4 32 MARGARET THOMSON
4 33 Chief Clerk of the House

4 34 Approved _____, 2003

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5 2 _____
5 3 THOMAS J. VILSACK
5 4 Governor